

Doug Gibbs February 03, 2011 471-0051

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *						
	FY 2011-12		FY 2012-13			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS		\$ 463,000		\$ 925,000		
CASH FUNDS		\$ 308,000		\$ 617,000		
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS		\$ 771,000		\$ 1,542,000		

<sup>\*</sup>Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 490 amends the Nebraska County and City Lottery Act, Nebraska Revised Statutes Sections 9-601, 9-603, and 9-607.

The bill would shorten the time between keno games from a minimum of five minutes to a minimum of one minute. The bill would also allow a county, city, or village conducting a leno lottery to use a time limit of more than one minute.

The bill also removes a restriction on player access to lottery equipment and defines "activation," to mean initiating the selection of winning numbers.

The Department of Revenue has indicated that the provision striking the prohibition on player access to lottery equipment will allow players to use devices described as "kiosk-like" and "capable of writing tickets." While this equipment will not select winning numbers, other functional characteristics, such as the ability to store credits, is unknown.

The Department estimates the following fiscal impact based on increased play as a result of initiating number selection every three and one-half minutes:

	<u>General Fund</u>	<u>Cash Funds</u>	<u>Total Funds</u>
FY2011-12: FY2012-13: FY2013-14: FY2014-15:	\$ 463,000 \$ 925,000 \$ 925,000 \$ 925,000	\$ 308,000 \$ 617,000 \$ 617,000 \$ 617,000	\$ 771,000 \$ 1,542,000 \$ 1,542,000 \$ 1,542,000
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The Department indicates no additional cost to implement the provisions of LB 490.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact and cost.

**LB 490** 

## LEGISLATIVE FISCAL

**Fiscal Note** 

2011

State Agency Estimate						
State Agency Name: Department	of Revenue				Date Due LFA:	2/4/11
Approved by: Douglas Ewald		Date Prepared:	2/3/11		Phone: 471-5700	
	FY 2011-2012		FY 2012-2013		FY 2013-2014	
	Expenditures	Revenue	Expenditures	Revenue	<u>Expenditures</u>	Revenue
General Funds		\$ 463,000	1	\$ 925,000		\$ 925,000
Cash Funds		\$ 308,000		\$ 617,000		\$ 617,000
Federal Funds						
Other Funds						
Total Funds		\$ 771,000		\$ 1,542,000		\$ 1,542,000

LB 490 adds the newly defined term "activation" to the Nebraska County and City Lottery Act and it is defined as the "initiating" of winning number selection. This bill allows for a decrease in the time range required between winning number selection of each keno game from five minutes down to one minute. This bill gives the county, city, or village conducting the keno lottery the responsibility to designate the time limit required between each winning number selection, provided it is at least one minute.

The provision striking the prohibition on player access to lottery equipment will allow players to use devices described as "kiosk-like" and "capable of writing tickets." While this equipment will not select winning numbers, other functional characteristics, such as the ability to store credits, is unknown at this time as the devices contemplated in LB 490 do not currently exist; however, the Department estimates an increase in revenue generated as a result of reduced time required between winning number selection.

The estimate as follows is based on increased play as a result of initiating number selection every three and one-half minutes.

It is estimated that there would be an increase to the Cash Funds and the General Fund.

	General Fund	Cash Funds	Total Funds
FY 2011-12	\$ 463,000	\$ 308,000	\$ 771,000
FY 2012-13	\$ 925,000	\$ 617,000	\$ 1,542,000
FY 2013-14	\$ 925,000	\$ 617,000	\$ 1,542,000
FY 2014-15	\$ 925,000	\$ 617,000	\$ 1,542,000

It is estimated that there will be no costs to the Department to implement this bill.

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Class Code	Classification Title	11-12 FTE	12-13 FTE	13-14 FTE	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
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